

Action Item

Fiscal Policy and Analysis Committee

Approval of the Minutes of the June 5, 2001, Meeting

MINUTES

Fiscal Policy and Analysis Committee

Meeting of June 5, 2001

**Committee
members present**

Lance Izumi, *Chair*
Robert A. Hanff
Kyo "Paul" Jhin
Ralph R. Pesqueira
Melinda G. Wilson
Alan S. Arkatov, *ex officio*
Carol Chandler, *ex officio*

Other Commissioners present

Susan Hammer
Velma Montoya
Guillermo Rodriguez, Jr.
Olivia K. Singh
Evonne Seron Schulze
Howard Welinsky

**Committee
member absent**

Phillip J. Forhan, *Vice Chair*

Call to order

Committee Chair Lance Izumi convened the Fiscal Policy and Analysis Committee at 11:27 a.m.

**Approval
of the minutes**

A motion was made to adopt the minutes of the April 3, 2001 Committee meeting. It was moved, seconded and approved without dissent to adopt the minutes.

**Executive
compensation in
California public
Higher Education,
2000-2001**

Karl M. Engelbach presented the latest figures on the compensation levels paid to executives in California's three public higher education systems. Information was provided on compensation paid to executives on campuses and in system-wide offices in the 2000 - 2001 year.

He stated that this is the ninth annual report on compensation and provided highlights of the findings some of which follows:

- ♦ Executives at the campus and district levels of the California Community Colleges are paid an average of \$125,000 to \$165,000, an increase of 6.4 percent from the previous year.
- ♦ The average salary for California State University campus presidents is \$207,251, an increase of five percent.
- ♦ The average salary of the University of California Chancellors is \$273,267, which excludes the salary paid to the chancellor at UCSF due to the unique nature of the institution.

Commissioner Singh noted that there is no corresponding comparison with a national comparison group for community colleges. Mr. Engelbach explained that the Supple-

mentary Report Language that directs the study be focused on the UC and CSU systems and that information on community colleges was added at the request of the California Community College Chancellors Office. He further stated that, because the system of California Community Colleges is so unique, it would be very difficult to identify a set of easily comparable institutions.

Commissioner Hanff asked what the systems are doing to ensure equity in retirement for new executives who are affected by the IRS restrictions. Mr. Engelbach stated that it is not an issue for the University of California and that the CSU Chancellor's Office is looking at ways to provide appropriate retirement packages to executives who are paid more than \$170,000 per year.

Commissioner Pesqueira noted that each time the Commission reviews compensation adjustments, the comparison institutions raise the salaries shortly thereafter creating new gaps. He asked if rescheduling the reporting of compensation data could be accomplished. Mr. Engelbach said that work to determine if there is a better reporting date and process to improve the use of the information for the governing boards could be undertaken with each of the system representatives.

Commissioner Rodriguez requested quantification of the approximate dollar value for the non-salary benefits to be provided when possible. He pointed out that the information could be found in IRS records.

Commissioner Arkatov recommended outreach to several big headhunting firms where information on perk packages could be obtained easily. He asked why the Commission does not have a national comparison group for the community colleges. Commissioner Schulze responded that each community college is very different and comparisons are extremely difficult.

Adjournment Having no further business, Commissioner Izumi adjourned the meeting at 11:43 a.m.
